



County of Los Angeles  
**CHIEF ADMINISTRATIVE OFFICE**

713 KENNETH HAHN HALL OF ADMINISTRATION • LOS ANGELES, CALIFORNIA 90012  
(213) 974-1101  
<http://cao.co.la.ca.us>

DAVID E. JANSSEN  
Chief Administrative Officer

Board of Supervisors  
GLORIA MOLINA  
First District

YVONNE B. BURKE  
Second District

ZEV YAROSLAVSKY  
Third District

DON KNABE  
Fourth District

MICHAEL D. ANTONOVICH  
Fifth District

May 31, 2005

The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, CA 90012

Dear Supervisors:

**PREPAYMENT OF OUTSTANDING MARINA DEL REY CERTIFICATES OF  
PARTICIPATION SERIES A  
(ALL DISTRICTS – 4 VOTES)**

**IT IS RECOMMENDED THAT YOUR BOARD:**

- 1) Approve a principal prepayment in the amount of \$25.7 million of all outstanding Marina del Rey Certificates of Participation Series A, as permitted under the Trust Agreement.
- 2) Instruct the Chief Administrative Office (CAO) to coordinate with the Treasurer-Tax Collector (TTC) and Auditor-Controller (A-C) to provide the prepayment funds to the trustee (US Bank) for payment to the certificate holders, and authorize CAO, TTC and A-C to take any actions necessary to make the payment.
- 3) Approve an appropriation adjustment to increase appropriation in Nondepartmental Special Accounts to reflect additional property tax revenue of \$25.7 million that will be used to finance the prepayment to the trustee.

**PURPOSE/JUSTIFICATION**

Approval of the recommended actions will allow the prepayment of the Marina del Rey Certificates of Participation, Series A (Marina COPs Series A) on the next available prepayment date, July 1, 2005. The prepayment of the final three years of debt service will result in an annual budget savings of \$14.8 million beginning in 2005-06.

**Background**

In 1993, the County issued the Marina COPs Series A in the principal amount of \$134,785,000 pursuant to a purchase financing and assignment agreement with the Los Angeles County

Honorable Board of Supervisors  
May 31, 2005  
Page 2

Capital Asset Leasing Corporation. On July 1, 2005, \$39.2 million in principal will remain outstanding.

In order to prepay the Marina COPs Series A, the County must pay \$25.7 million which represents the outstanding principal amount of \$39.2 million less \$13.5 million in debt service reserve funds held by the trustee.

**FISCAL IMPACT / FINANCING**

The recognition of the additional \$25.7 million in property tax revenue offsets the appropriation in the same amount to make the prepayment on the Marina COPs Series A. The prepayment of the final three years of debt service will result in an annual budget savings of \$14.8 million beginning in 2005-06.

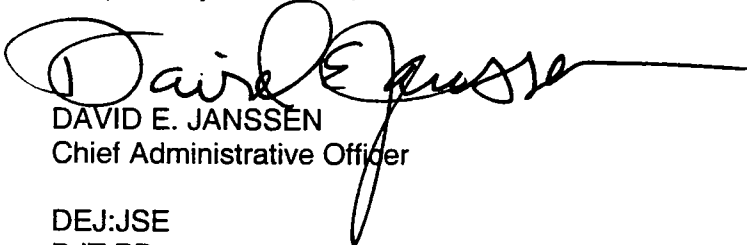
**IMPACT ON CURRENT SERVICES**

The recommended action will have no affect on current services provided by the County.

**CONCLUSION**

Upon approval of the recommendations, please forward an adopted, stamped copy of the Board letter and an executed copy of the Board letter to the Chief Administrative Office and one conformed copy to the Auditor-Controller and Treasurer-Tax Collector.

Respectfully submitted,



DAVID E. JANSSEN  
Chief Administrative Officer

DEJ:JSE  
DJT:PB:rr

Attachment

- c: Executive Officer, Board of Supervisors  
County Counsel  
Auditor-Controller  
Treasurer and Tax Collector  
Director of Beaches and Harbors

## COUNTY OF LOS ANGELES

## REQUEST FOR APPROPRIATION ADJUSTMENT

DEPARTMENT OF **Chief Administrative Office**DEPT'S.  
NO.

060

MAY 31

2005

AUDITOR-CONTROLLER.

THE FOLLOWING APPROPRIATION ADJUSTMENT IS DEEMED NECESSARY BY THIS DEPARTMENT. WILL YOU PLEASE REPORT AS TO ACCOUNTING AND AVAILABLE BALANCES AND FORWARD TO THE CHIEF ADMINISTRATIVE OFFICER FOR HIS RECOMMENDATION OR ACTION.

## ADJUSTMENT REQUESTED AND REASONS THEREFOR

**FY 2004-05****4 - VOTES****SOURCES**

## FINANCING ELEMENTS

Property Taxes

A01-AO-99999-8003

\$25,730,000

**USES**

## NONDEPARTMENTAL SPECIAL ACCOUNTS

Other Charges

A01-BS-13690-5500

\$25,730,000

**JUSTIFICATION**

Approve an appropriation adjustment to increase appropriation in Nondepartmental Special Accounts to reflect additional property tax revenue of \$25.7 million that will be used to finance the prepayment to the trustee to extinguish the Certificates of Participation Marina del Rey Series A debt service.

*S. Kikkawa*

Sid Kikkawa, Division Chief

CHIEF ADMINISTRATIVE OFFICER'S REPORT

REFERRED TO THE CHIEF  
ADMINISTRATIVE OFFICER FOR -

ACTION

RECOMMENDATION

AUDITOR-CONTROLLER

BY

NO.

354

MAY 27 2005

APPROVED AS REQUESTED

AS REVISED

May 27, 2005 20

APPROVED (AS REVISED):  
BOARD OF SUPERVISORS

20

BY

DEPUTY COUNTY CLERK

SEND 6 COPIES TO THE AUDITOR-CONTROLLER